

B+C 3-1

1 May 1987

MEMORANDUM FOR: Chief, Production & Services Contracts Branch/PD

ATTENTION:

FROM:

Chief, New Building Project Office, OL

SUBJECT: Amendment to Contract 83R798600*000

REFERENCE: Memo for C/P&SCB fm C/NBPO, dtd 13 Apr 87, Same Subj.

1. Pursuant to your request, the following information is provided regarding our 13 April request for an amendment to contract 83R798*600:

a. Following procedures previously established by P&SCB, items 1a and 1b of the referent were treated as direct costs, subject to audit.

b. The direct cost hourly wage rate used on all 1987 proposals is based on the 1986 wage rate escalated by 5 percent. This was based on wage increases received by SH&G employees in December 1986. Again following past procedures, these are acceptable subject to audit.

c. The redesign of the first floor computer center, item 1c of the referent, was based on the Government's change in the type of computers to be installed in the area. SH&G needs to redesign the floor support system and add additional utility systems for the new computers. The proposal dated 9 January 1986 (should read 1987), LOG 1370 was reviewed and deemed not responsive. A new proposal dated 21 January 1987, LOG 1375, was submitted based upon a telephonic negotiation between [] of my staff and Ev Medling of SH&G on 20 January 1987. The marginal notes on the proposal reflect those reductions in manhours and other costs agreed to. We believe the cost to be reasonable for the effort involved.

d. Paragraph 1d of the referent requests the establishment of a new task under increment 05. This additional service is required to provide the GSA Project Manager with expert analysis services to administer the construction contract. This service is required to support the adjudication of claims and the impact of possible Government action on the project schedule. SH&G has proposed to retain an internationally known firm to provide these

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services. This effort would be billed as a direct cost plus 10 percent. This proposal is very reasonable for the effort involved. NBPO has elected to establish this effort, at least initially, at \$80,000 rather than the \$93,000 suggested by SH&G. This service is urgently needed at the construction site.

e. Redesign of the South Loading Dock (item 1e of the referent) is required by the Agency to accommodate a request by FMD to make the dock more responsive to their needs. The proposal is deemed reasonable for the effort and is acceptable as originally submitted.

f. Redesign of the Rt. 123 SCC, item 1f of the referent, is required to respond to an Office of Security request to modify the center to suit their operational needs. The proposal is deemed reasonable for the effort and is acceptable as originally submitted.

g. The request to add \$300,000 to increment 05 for construction administration services is required for the continuation of an ongoing effort. The present rate of expenditure for this effort is approximately \$270,000 per quarter.

h. Item 1h of the referent is required to support a new design task for the development of various workstation configurations. The original proposal dated 31 July 1986, LOG 1311 was revised based on negotiations between [redacted] OL/FMD, and Ev Medling, SH&G. The handwritten figures on LOG 1317 are the results of their negotiation.

2. All items, above with the exception of 1g, were reviewed again with Ev Medling of SH&G on 26 March 1987. We are attaching copies of SH&G LOGS 1240, 1335, 1370, 1375, 1311, and 1317 for your files. We hope this information is adequate to allow you to prepare the amendment to this contract which is urgently needed to allow the work to be done.

Attachment

OL/NBPO [redacted] 1May87
Orig - Adse (w/att)
1 - OL/NBPO Subject (w/att)
1 - OL/NBPO Chrono (w/o att)
1 - OL Files (w/o att)